

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

Month - Year
FEB 26 2007
OCD - ARTESIA, NM

FORM APPROVED
OMB No. 1004-0135
Expires July 31, 1996

Copy

SUBMIT IN TRIPLICATE - Other instructions on reverse side		5. Lease Serial No. NM 36193
1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		6. If Indian, Allottee or Tribe Name
2. Name Of Operator MCKAY OIL CORPORATION		7. If Unit or CA/Agreement, Name and/or No
3a. Address P.O. BOX 2014 ROSWELL, NM 88202-		8. Well Name and No. FOUR MILE DRAW B FEDERAL #7H
3b. Phone No. (include area code) 505-623-4735		9. API Well No. 30-005-63865
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) LOT M, Sec 15, T6S, R22E 660' FSL & 660' FWL		10. Field and Pool, or Exploratory Area W PECOS ABO SLOPE-82740
		11. County or Parish, State CHAVES COUNTY, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other _____
	<input checked="" type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>Abandon</u>
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Described Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

MCKAY OIL CORPORATION abandoned drilling on 4MD B FED #7H on 2/10/07. Effective 2/10/07 Operator requests change of plans to move drilling operations 35' to the north.

Due to lost hole, McKay desires to move drilling operations 35' to the north. New well location will be changed to approximately 695' FSL and 660' FWL. Well will be drilled under existing APD for 4MD B FEDERAL #7H. New Name: 4MD B FED #7HY. New well will utilize existing well pad and pits. No changes to access road. No modifications necessary to extend wellpad.

Attachments: C-102 Well Location, Acreage Dedication Plat Front Page of APD.

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Carol Shanks	Title Agent
Signature <i>Carol Shanks</i>	Date 02/12/2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By	Title	Date
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office	

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.